Instructions for Completing the
Residential Through-the-Fence
Cost Allocation and Fee Evaluation Worksheet

Airports with residential through-the-fence (RTTF) operations should complete the attached form to ensure RTTF users pay charges that are comparable to the charges that on-airport users pay. Accordingly, this worksheet compares on-airport charges for the aeronautical use to the charges RTTF users pay for access to the airport. Cost incurred by RTTF users for aircraft storage may not be included in this computation. At minimum, RTTF users should pay rates that are comparable to on-airport aircraft owners. The Airport Improvement Program (AIP) Grant Assurances 22(a) does not allow on-airport users to be at an economic disadvantage to RTTF users.

Use the airport's financial statements, accounting records, tax returns and cost allocation plans to complete the calculation. In some instances, estimates may be required. The FAA permits the use of estimates provided the financial records support the calculations. In addition, the FAA may require airport sponsors to submit the FAA Form 5100-127, Operating and Financial Summary. Time periods should be consistently used throughout the worksheet. For example, revenues and expenses should be from the same reporting period.

Part 1 Flight Operations calculates the profit or loss from flight operations. This section will take airfield revenues and then deduct airfield costs. Then it will calculate the cost of flight operations per aircraft.

1. Enter the total revenues from flight operations.
2. Enter total airfield operating costs.
3. Enter the portion of airfield costs attributable to RTTF users (this line cannot be zero or less than zero).
4. Enter the portion of airfield costs attributable to based aircraft.
5. This line auto-calculates Flight Operations Costs aircraft storage and RTTF costs (Line 2 less Line 3 and Line 4). This line auto-calculates, so do not enter any data on this line.
6. This field calculates the Profit or Loss from Flight Operations (Line 1 less Line 5). This line auto-calculates, so do not enter any data on this line.
7. Enter total based aircraft at the airport.
8. Enter total RTTF aircraft.
9. Total aircraft (Line 7 plus Line 8). This line auto-calculates, so do not enter any data on this line.
10. Flight Operations Profit or Loss per Aircraft (Line 6 divided by Line 9). This line auto-calculates, so do not enter any data on this line.

Part 2 calculates **Based Aircraft Profit or Loss**. This section will take revenues from based aircraft storage and deduct O&M costs specific to based aircraft. Then it will calculate the net operating profit for loss per based aircraft.

11. Enter total revenues from based aircraft storage.
12. This line auto-calculates based on responses from Line 3, so do not enter anything.
13. This line auto-calculates net revenues or loss from based aircraft storage (Line 11 less Line 12), so do not enter anything.
14. This line auto-calculates flight operations profit or loss specific to based aircraft (Line 10 multiplied by Line 7), so do not enter anything.
15. This field auto-calculates operating profit or loss from based aircraft (Line 13 plus Line 14), so do not enter anything.
16. This field auto-calculates net operating profit or loss per based aircraft (Line 15 divided by Line 7), so do not enter anything.

Part 3 calculates **Residential Through-the-Fence Profit or Loss.** This section will take revenues from RTTF users and deduct O&M costs specific to RTTF users. Then it will calculate the net operating profit or loss per based aircraft.

17. Enter total revenues from RTTF fees.
18. This line auto-calculates based on responses from Line 4, so do not enter anything.
19. This line auto-calculates net revenues or loss from RTTF aircraft (Line 17 less Line 18), so do not enter anything.
20. This line auto-calculates flight operations profit or loss specific to RTTF aircraft (Line 8 multiplied by Line 10), so do not enter anything.
21. This field auto-calculates operating profit or loss from RTTF aircraft (Line 19 plus Line 20), so do not enter anything.
22. This field auto-calculates net operating profit or loss per RTTF aircraft (Line 21 divided by Line 8), so do not enter anything.

Part 4 calculates the **Difference** between based aircraft profit or loss per aircraft and RTTF profit or loss per aircraft.

23. This line auto-calculates the difference between based versus RTTF aircraft (Line 16 less Line 22), so do not enter anything.

S A M P L E

Residential Through-the-Fence
Cost Allocation and Fee Evaluation Worksheet

Part 1. Flight Operations Profit or Loss	
A. Revenue from Flight Operations	
1. Revenues from Flight Operations. Include landing fees, itinerant aircraft fees, FBO rents, and profit from fuel sales.	$370,000
B. Cost of Flight Operations	
2. Determine Airfield Operating Costs. Include salaries, contracts, materials, supplies, insurance, depreciation, and other airfield operating costs. Do not include the non airfield costs such as office parks, industrial uses and nonaeronautical terminal use.	$530,000
3. Deduct airfield costs specific to storage of based aircraft, such as costs associated with hangars and tiedowns. Include salaries, contracts, materials, supplies, insurance, depreciation, and other airfield operating costs.	$215,000
4. Deduct Costs Specific to Residential Through-the-Fence Operations. Include salaries, contracts, materials, supplies, insurance, depreciation, and other airfield operating costs.	$12,500
5. Flight Operations Costs Less Aircraft Storage and Residential Through-the-Fence (Common Airfield Costs) (Line 2 Less Line 3 and Line 4).	$302,500
C. Flight Operations Profit or Loss	
6. Flight Operations Profit or Loss (Line 1 Less Line 5).	$67,500
D. Number of Aircraft	
7. Based Aircraft	80
8. Residential Through-the-Fence Aircraft	50
9. Total Aircraft	130
E. Flight Operations Profit or Loss Per Aircraft	
10. Flight Operations Profit or Loss Per Aircraft (Divide Line 6 by Line 9).	$519.23

Part 2. Based Aircraft Profit or Loss	
11. Revenues from Based Aircraft Storage. Include hangar rents, tie down fees.	$350,000
12. Less Cost (Operation & Maintenance) from Based Aircraft Storage. Include cost of hangar maintenance and depreciation. (From Line 3)	$215,000
13. Net Revenue or Loss from Based Aircraft Storage	$135,000
14. Plus share of Flight Operations Profit or Loss attributable to Based Aircraft (Line 10 multiplied by Line 7)	$41,538
15. Operating Profit or Loss From Based Aircraft (Line 13 Plus Line 14).	$176,538
16. Net Operating Profit or Loss Per Based Aircraft (Line 15 divided by Line 7)	$2,207

Part 3. Residential Through the Fence Profit or Loss	
17. Revenue from Residential Through-the-Fence Aircraft Fees. Include airport access fees.	$50,000
18. Less Cost (Operation & Maintenance) from Residential Through-the-Fence Aircraft. Include O&M costs related to Aprons and Taxiways exclusive to Through the Fence Users. (From Line 4)	$12,500
19. Net Revenue or Loss from Residential Through-the-Fence Access.	$37,500
20. Plus share of Flight Operations Profit or Loss attributable to Residential Through-the-Fence Aircraft (Line 8 times Line 10).	$25,962
21. Operating Profit or Loss- Residential Through-the-Fence Aircraft (Line 19 Plus Line 20).	$63,462
22. Net Operating Profit or Loss for Residential Through-the-Fence Aircraft (Line 21 divided by Line 8).	$1,269

Part 4. Difference	
23. Difference Between Based Versus Residential Through-the-Fence (Line 16 Less Line 22)	$938

Difference Explained.

The FAA expects Residential Through-the-Fence aircraft to pay approximately the same proportion of airfield costs as based aircraft. So, the ideal difference between based aircraft and through-the-fence aircraft would be zero. The above example shows a difference of $938 for through-the-fence aircraft. This difference means that Residential Through-the-Fence aircraft contribute $938 less per aircraft than based aircraft. The remedy for this difference would be to increase access fees for through-the-fence aircraft by the amount of the variance.